the Government. The Government's disinvestment plan in respect of the hotel properties/businesses of ITDC and HCI is as under:—

India Tourism Development Corporation Limited (ITDC)

(i) Four hotel properties, *viz.*, Hotel Ashok, Delhi, Hotel Samarat, Delhi, Hotel Ashok, Bangalore and Lalitha Mahal Palace Hotel, Mysore would be demerged into a separate company with the existing shareholding pattern as that of ITDC and given on long-term lease-cum-management contract basis. It is envisaged that each of these properties are to be given separately to bidders.

(ii) The remaining 22 hotel properties including 6 hotels located at Delhi would be demerged into separate companies having shadow shareholding pattern as that of ITDC for the limited purpose of disinvestment of 100 per cent Government equity. Each of these properties would be transferred to the respective demerged companies after a buyer for the particular property is selected through the disinvestment process. It is envisaged that all the properties proposed for 100 per cent disinvestment would also be sold individually.

Hotel Corporation of India (HCI)

The following hotel and air catering businesses of HCI are to be sold individually on slump sale basis:—

(1) Centaur Hotel Airport, Mumbai
(2) Centaur Hotel Airport, Delhi (including Chefair Delhi)
(3) Centaur Hotel Juhu Beach, Mumbai
(4) Chefair, Mumbai
(5) Indo Hokke Hotels Ltd. (Centaur Rajgir).

(c) and (d) HCI is a subsidiary of Air India Ltd. Hence, the proceeds from its disinvestment would accrue to Air India Ltd. Disinvestment in HCI is being carried out in accordance with the declared policy of the Government.

Valuation of IPCL

752. SHRIMATI CHANDRA KALA PANDEY:
SHRI DIPANKAR MUKHERJEE:

Will the Minister of DISINVESTMENT be pleased to state:

(a) whether Government's attention has been drawn to the news-item captioned "Fresh bids of IPCL sell off", which appeared in the Telegraph, dated the 8th November, 2001;

(b) if so, Government's reaction thereto;

(c) whether IPCL has engaged M/s. Deloitte, Haskins & Sells to value assets of IPCL, as reported;

(d) if so, the methodology of valuation adopted; and

(e) whether the same is in line with valuation method adopted, so far, for modern Foods, BALCO and others?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) Yes Sir.

(b) The Government has decided to sell 26 per cent of the equity capital in IPCL as a whole to a Strategic Investor alongwith transfer of management control and a commitment of disinvesting at least a further 25 per cent equity. A road map for the further sale of equity would also be drawn up. This process has been commenced.

(c) IPCL had engaged M/s Deloitte, Haskins & Sells, Mumbai to value assets of Vadodara Plant. As explained in reply to (b) above, the decision of the Government is now to disinvest in IPCL as a whole.

(d) and (e) The valuation in disinvestment cases is based on standard valuation methodologies including, *inter-alia,* discounted Cash flow method, Asset valuation method, Balance Sheet method, Transaction Multiple method. In order to ensure uniformity in the procedures of valuation, steps have been taken to standardize valuation methodologies by the Ministry of Disinvestment.

Valuation of IPCL's Baroda unit

753. SHRI DIPANKAR MUKHERJEE:
SHRIMATI CHANDRA KALA PANDEY:

Will the Minister of DISINVESTMENT be pleased to state:

(a) the status of purchase of IPCL's Baroda unit by IOC;

(b) whether the valuation by both the companies are at wide variance;

(c) if so,the norms of valuation used by IOC and IPCL;

(d) whether the same is in line with the norms set by his Ministry;

(e) if so, the details thereof and if not, the reasons therefor; and

(f) the status of disinvestment of IPCL's other units?